

**MINUTES OF IWCC MEDICAL FEE ADVISORY BOARD
IWCC CHICAGO OFFICE, ORAL ARGUMENT ROOM
HELD ON JUNE 19, 2008, 9:00 a.m.**

Present at the meeting were:

Dennis R. Ruth, Chairman
Ms. Maddy Bowling, Employer Representative
Ms. Elena Butkus, Medical Provider Representative
Mr. Ronald Powell, Employee Representative
Mr. John Smolk, Employer Representative

Other attending IWCC board member were:

Mr. Mark Flannery, Workers' Compensation Advisory Board
Mr. David Menchetti, Workers' Compensation Advisory Board

Attending the meeting via conference call:

Dr. Jesse Butler, Medical Provider Representative
Mr. Eric Dean, Employee Representative
Dr. Edward Schlamberger, Medical Provider Representative

IWCC staff present at the meeting were:

Mr. Glen Boyle, Medical Fee Schedule Project Manager
Ms. Kathryn Kelley, General Counsel
Ms. Susan Piha, Manager of Research & Education

Chairman Ruth called the meeting to order at 9:05 a.m.

Upon motion duly made, seconded and unanimously carried, the minutes of the Medical Fee Advisory Board meeting held April 24, 2008 were approved as presented.

The Chairman explained the purpose of the meeting was to review changes made to the proposed rules and guidelines of the hospital outpatient, rehabilitation schedule, and ASCT fee schedules, and additionally to discuss proposed rules regarding the access issue.

First, Mr. Glen Boyle and Ms. Kathryn Kelley provided an overview of draft changes to the proposed rules, and corresponding instructions and guidelines as indicated in the handouts. Mr. Boyle noted nearly 40 issues raised during the comment period have been addressed in the proposed changes. Many of them were related to simple clarifications and wording changes, while some others are highly technical changes.

After the review of changes it was decided a few additional changes should be made.

During the review of changes, it was noted by the board that a clerical error listing code ranges as 440-409 on Page 10 of the instructions and guidelines and should be changed to 400-409.

It was also noted by Chairman Ruth that any reference to IME should be changed to Section 12 exam to reflect proper legal terminology.

The board also agreed to add language as the last sentence of Section D of the instructions and guidelines before the carve-out codes that reads: "Except for the carve-outs/revenue codes listed below, this fee schedule should not be applied on a line item basis."

Next Mr. Boyle discussed the billing examples, a free-standing document to be posted on the IWCC web site, which provides 5 different billing and payment examples, incorporating carve-outs, multiple procedures, professional services, and emergency room. Mr. Boyle agreed to add another example to illustrate bilateral procedures.

The board discussed referencing the examples in the guidelines and it was decided a new Section 14 would be created with a link to the examples.

The board then discussed modifiers 59 and 51, and the problems with different interpretations of this modifier between providers and payers. Chairman Ruth asked Mr. Boyle to add some examples regarding this modifier to the other examples.

The board also discussed the anomalies regarding different medical fee rates between geozips, questionable data, and potential causes. Chairman Ruth concluded that overall the database produced a solid fee schedule and was constructed in conformity with the legislation. Mr. Boyle also added that Ingenix confirmed their validation process, though he noted they are conducting a final review.

Next the board inquired about the schedule regarding the approval of the instructions and guidelines and rules. Chairman Ruth indicated he would meet with the Commission sometime after July 4, 2008 and once the Commission voted to formalize the rules with changes, it will be submitted to JCAR for final approval, initiating a 45-day notice period.

Next the board discussed a rule for addressing the access issue. Mark Flannery put together proposed Rule 7-110.100 and the Illinois Hospital Association proposed some changes which he had tried to incorporate.

Mr. Mark Flannery discussed the proposed rule, outlining changes including inclusion of providers as persons who have standing to bring the action, and the requirement of the provider to show as a threshold that reimbursement rates for their services are lower than

75 percent of Medicare. It was also noted that contractual conflicts would not be addressed by the Commission.

The board then discussed criteria in which an action could be initiated, specifically how it would be met by providers in regards to codes and rates, including consideration of cost to charge ratio and contractual rates. The board also discussed other criterion for filing, including contractual fees verses medical fee schedule rates and the inclusion of other forms of proof that may not be listed in the draft rule. A discussion was also held regarding comparisons of geozips and establishing proof of demographic similarities.

Mr. Flannery also discussed the preponderance of the evidence standard, establishing specifics in regards to who can intervene, and timeframes for amicus filings. The board also discussed the appropriate adjustment and fair reimbursement rate regarding a remedy of an increase of consumer price index and how that percent should be determined, and the application of change to code or geozip should be made.

It was decided that Mr. Flannery and Ms. Butkus would work together further to finalize changes and present to the board at next meeting.

The board scheduled the next meeting on Thursday, September 4th at 9:00 a.m.

Upon motion, the meeting was adjourned at 11:00 a.m.